

COMMITTEE REPORT

MR. PRESIDENT:

The Senate Committee on Education and Career Development, to which was referred House Bill No. 1176, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 2, between lines 36 and 37, begin a new paragraph and insert:
- 2 "SECTION 4. IC 25-6.1-3-2 IS AMENDED TO READ AS
- 3 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 2. (a) Every individual,
- 4 before acting as an auctioneer, must obtain a license from the
- 5 commission.
- 6 (b) An applicant for a license must:
- 7 (1) be at least eighteen (18) years of age;
- 8 (2) have completed at least eighty (80) actual hours of auction
- 9 instruction from a course provider approved by the commission;
- 10 (3) not have a conviction for:
- 11 (A) an act which would constitute a ground for disciplinary
- 12 sanction under IC 25-1-11; or
- 13 (B) a felony that has a direct bearing on the applicant's ability
- 14 to practice competently.
- 15 (c) Auction instruction required under subsection (b) must provide
- 16 the applicant with knowledge of all of the following:
- 17 (1) The value of real estate and of various goods commonly
- 18 sold at an auction.
- 19 (2) Bid calling.
- 20 (3) Sale preparation, sale advertising, and sale summary.
- 21 (4) Mathematics.

- 1 (5) The provisions of this article and the commission's rules.
- 2 (6) Any other subject matter approved by the commission.
- 3 (d) An individual seeking an initial license as an auctioneer under
- 4 this article shall file with the commission a completed application on
- 5 the form prescribed by the commission. When filing an initial
- 6 application for an auctioneer license, each individual shall:
- 7 (1) pay a nonrefundable examination fee of thirty-five dollars
- 8 (\$35); and
- 9 (2) pay a surcharge under IC 25-6.1-8 for deposit in the
- 10 auctioneer recovery fund.
- 11 (e) When filing an application for a renewal of an auctioneer
- 12 license, each individual shall do the following:
- 13 (1) File with the commission a completed application on the form
- 14 prescribed by the commission, including certification by the
- 15 applicant that the applicant has complied with the requirements
- 16 of IC 25-6.1-9-8, unless the commission has granted the applicant
- 17 a waiver under IC 25-6.1-9-9.
- 18 (2) Pay the license fee prescribed by section 5 of this chapter.
- 19 (f) Upon the receipt of a completed application for an initial or a
- 20 renewal license, the commission shall examine the application and
- 21 verify the information contained therein.
- 22 (g) An applicant who is seeking an initial license must pass an
- 23 examination prepared and administered by the commission. The
- 24 commission shall hold examinations as the commission may prescribe.
- 25 The examination for an auctioneer's license shall include questions on
- 26 the applicant's:
- 27 (1) ability to read and write;
- 28 (2) knowledge of the value of real estate and of various goods
- 29 commonly sold at an auction;
- 30 (3) knowledge of calling;
- 31 (4) knowledge of sale preparation, sale advertising, and sale
- 32 summary;
- 33 (5) knowledge of mathematics; and
- 34 (6) knowledge of the provisions of this article and the
- 35 commission's rules.
- 36 (h) The commission shall issue an auctioneer's license, in such form
- 37 as it may prescribe, to each individual who meets all of the
- 38 requirements for licensing and pays the appropriate fees.
- 39 (i) Auctioneer licenses shall be issued for a term of ~~two (2)~~ **four (4)**
- 40 years. A license expires at midnight, February 28, ~~of the next~~
- 41 ~~even-numbered year following the year in which the license is issued,~~
- 42 **2008, and every fourth year thereafter**, unless renewed before that

1 date. If the license has expired, it may be reinstated not more than one
2 (1) year after the date it expired upon the payment of the renewal fee
3 plus the sum of twenty-five dollars (\$25) and submission of proof that
4 the applicant has complied with the continuing education requirement.
5 If the license has expired for a period of more than one (1) year, the
6 person must file an application and take the required examination.
7 However, an applicant for restoration of an expired license is not
8 required to complete the initial eighty (80) hour education requirement
9 under this section in order to restore the expired license. The holder of
10 an expired license shall cease to display the original wall certificate at
11 the holder's place of business and shall return the wall certificate to the
12 commission upon notification by the commission of the expiration of
13 the holder's license.

14 (j) The commission may waive the requirement that a nonresident
15 applicant pass an examination and that the nonresident submit written
16 statements by two (2) individuals, if the nonresident applicant:

17 (1) is licensed to act as an auctioneer in the state of the applicant's
18 domicile;

19 (2) submits with the application a duly certified letter of
20 certification issued by the licensing board of the applicant's
21 domiciliary state;

22 (3) is a resident of a state whose licensing requirements are
23 substantially equal to the requirements of Indiana;

24 (4) is a resident of a state that grants the same privileges to the
25 licensees of Indiana; and

26 (5) includes with the application an irrevocable consent that
27 actions may be commenced against the applicant. The consent
28 shall stipulate that service of process or pleadings on the
29 commission shall be taken and held in all courts as valid and
30 binding as if service of process had been made upon the applicant
31 personally within this state. If any process or pleading mentioned
32 in this subsection is served upon the commission, it shall be by
33 duplicate copies. One (1) of the duplicate copies shall be filed in
34 the office of the commission and one (1) shall be immediately
35 forwarded by the commission by registered or certified mail to the
36 applicant against whom the process or pleadings are directed.

37 (k) The commission may enter into a reciprocal agreement with
38 another state concerning nonresident applicants.

39 (l) The commission may, for good cause shown, upon the receipt of
40 an application for a license, issue a temporary permit for such
41 reasonable period of time, not to exceed one (1) year, as the
42 commission deems appropriate. A temporary permit has the same

effect as a license and entitles and subjects the permittee to the same rights and obligations as if the individual had obtained a license.

(m) An applicant for a temporary permit must do the following:

(1) File an examination application.

(2) Pass the examination at one (1) of the next two (2) regularly scheduled examinations.

(n) An individual who does not pass the examination required under subsection (m) may not be issued a temporary permit.

SECTION 5. IC 25-6.1-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 3. (a) This section does not apply to an organization that operates a wholesale dealer automobile auction.

(b) Every person, before operating an auction house, must obtain a license from the commission for that auction house.

(c) Except as provided in subsection (d), before applying for a license from the commission to operate an auction house, the following must obtain a license as an auctioneer as provided in section 2 of this chapter:

(1) An individual who seeks to operate an auction house.

(2) One (1) or more individuals designated by an organization that seeks to operate an auction house.

(d) Subsection (c) does not apply to:

(1) a person that holds a valid license for an auction house as of June 30, 1998; or

(2) a person that holds a valid renewal of a license described in subdivision (1).

(e) Every applicant seeking to operate an auction house shall file with the commission a completed application on a form provided by the commission for a license for each auction house to be operated by that person. Each application shall be accompanied by the license fee prescribed by section 5 of this chapter and a surcharge described in IC 25-6.1-8-2.

(f) Upon the receipt of a completed application for an initial or a renewal license, the commission shall examine the application and may verify the information contained therein.

(g) If the commission determines that the application has been completed and that the statements made therein by the applicant are true, the commission shall issue a license, in such form as it may prescribe, for such auction house.

(h) Auction house licenses shall expire at midnight, February 28, ~~of the next even-numbered year following the year in which the license is issued.~~ **2004, and every fourth year thereafter.** A renewal license

1 with a term of ~~two (2)~~ **four (4)** years shall be issued if an application
 2 is for a renewal license.

3 SECTION 6. IC 25-6.1-3-4 IS AMENDED TO READ AS
 4 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. (a) Every person
 5 other than:

6 (1) an individual who is a licensed auctioneer; or

7 (2) an individual who has a licensed auction house;

8 who is seeking to operate as an auction company must obtain a license
 9 from the commission. Notwithstanding the fact that an individual who
 10 is a licensed auctioneer or an individual who has a licensed auction
 11 house also has an interest in an organization, every organization which
 12 seeks to operate an auction company must obtain a license for that
 13 auction company.

14 (b) Every such person shall file with the commission a completed
 15 application on the form prescribed by the commission. Each
 16 application shall be accompanied by the license fee prescribed by
 17 section 5 of this chapter and a surcharge described in IC 25-6.1-8-2.

18 (c) Upon the receipt of a completed application for an initial or
 19 renewal license, the commission shall examine the application and
 20 verify the information contained therein.

21 (d) Upon a determination by the commission that an application is
 22 completed and duly verified, the commission shall issue an auction
 23 company license, in such form as it may prescribe, to the applicant.

24 (e) Auction company licenses shall expire at midnight, February 28,
 25 ~~of the next even-numbered year following the year in which the license~~
 26 ~~is issued. 2004, and every fourth year thereafter.~~ A renewal license
 27 with a term of ~~two (2)~~ **four (4)** years shall be issued if the application
 28 is for a renewal license.

29 (f) Any individual who wishes to operate an auction company, and
 30 who is exempt under subsection (a) from obtaining an auction company
 31 license, shall, on February 28, 1978, or on the date on which the
 32 individual begins to operate an auction company, whichever is later,
 33 notify the secretary of the commission, in a writing signed by the
 34 individual, that the individual is operating as an auction company or as
 35 more than one (1) auction company. The individual shall specify in
 36 such written notification, the trade or business name, and the address
 37 of the principal place of business, of each auction company which the
 38 individual operates. Whenever an individual to whom this subsection
 39 applies shall discontinue the operation of an auction company
 40 theretofore operated by the individual, or shall change its address or
 41 trade or business name, the individual shall promptly notify the
 42 secretary of the commission of such discontinuance or change, in a

1 writing signed by the individual.

2 SECTION 7. IC 25-6.1-3-5 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 5. (a) At the time of
4 obtaining a license under this chapter, the licensee shall pay the license
5 fee prescribed by this section.

6 (b) The fee for the license issued to any person, auction company,
7 or auction house during each licensing period is ~~thirty-five dollars~~
8 **(\$35). seventy dollars (\$70).**

9 (c) ~~The full amount of the prescribed license fee is due and payable~~
10 ~~by the applicant for the license, regardless of the length of the~~
11 ~~unexpired portion of the licensing period that exists at the time of the~~
12 ~~issuance of the license in question. The commission may adopt rules~~
13 **that provide for the payment of a proportionate amount of the**
14 **licensing fee if a license will be issued for less than the full term of**
15 **the license."**

16 Page 2, line 38, delete "March" and insert "MARCH".

17 Page 2, line 41, delete "twenty (20)" and insert "**sixteen (16)**".

18 Page 3, line 2, reset in roman "six (6)".

19 Page 3, line 2, delete "ten (10)".

20 Renumber all SECTIONS consecutively.

(Reference is to HB 1176 as reprinted January 28, 2003.)

and when so amended that said bill do pass .

Committee Vote: Yeas 9, Nays 1.

Senator Kenley, Chairperson